

F0. Introduction

F0.1

(F0.1) Give a general description of and introduction to your organization.

Associated British Foods is a diversified international food, ingredients and retail group with sales of £15.6bn, 137,000 employees and operations in 50 countries across Europe, southern Africa, the Americas, Asia and Australia. Our purpose is to provide safe, nutritious, affordable food and clothing that is great value for money. The group operates through five strategic business segments: Grocery, Sugar, Agriculture, Ingredients and Retail. We aim to achieve strong, sustainable leadership positions in markets that offer potential for profitable growth and deliver quality products and services that are central to people's lives.

Each business in the group enjoys a high degree of autonomy in the running of their operations, but at the heart of the way we operate is a principle of 'value together' – the benefit the group gains from each business being part of the larger organisation.

Grocery comprises consumer-facing businesses that manufacture and market a variety of well-known food brands both nationally and internationally. Some of its best-known household brands include Twinings, Ovaltine, Ryvita, Kingsmill, Silver Spoon, Tip Top, Mazola and Spice Islands. George Weston Foods in Australia enjoys a 75% penetration of Australian households.

AB Sugar - The heart of our business is making and selling sugar, but we do much more than that. As well as 'core products', made from sugar beet and sugar cane, we also make 'co-products', which can include anything one or two 'steps' away from the sugar-making process: animal feed, soil conditioners, electricity, bioethanol and seed enhancements. Our operations are in the UK, Spain, southern Africa and north China. In the EU, Azucarera is the major producer in Iberia and British Sugar is the sole processor of the UK sugar beet crop and is one of Europe's most efficient processors. Illovo Sugar is the biggest sugar processor in Africa and is one of the world's foremost low-cost producers. We also have a beet sugar business in north China. The group currently operates in ten countries and has 24 factories with the capacity to produce some 4.5 million tonnes of sugar. We also have the capacity to generate power sufficient to meet most of our internal needs and, in a number of locations, we export power to the national grid.

AB Agri operates at the heart of the agricultural industry. Our unique breadth and experience enable us to add value all along the food, drink and biofuel industry supply chains. AB Agri supplies products and services to farmers, feed and food manufacturers, processors and retailers. We also buy grain from farmers and supply crop inputs through our joint venture arable operation, Frontier Agriculture.

Ingredients comprises a number of businesses that supply a range of ingredients to food and non-food manufacturers. AB Mauri has a global presence in bakers' yeast with significant market positions in The Americas, Europe and Asia, and is a technology leader in, and supplier of, bread improvers, dough conditioners and bakery mixes. ABF Ingredients comprises businesses focusing on high-value ingredients for food, feed, pharmaceutical and industrial applications.

Primark is one of the largest clothing retailers in Europe. Primark employs more than 75,000 people across eleven countries across Europe and the US. Primark offers customers value for money clothing in more than 360 stores and 14.8 million square feet of retail selling space.

We have always had a decentralised approach to doing business. Operational decisions are made locally because, in our experience, they are most successful when made by the people who have the best understanding of their markets and who have to implement them. This culture of setting strategy and priorities locally gives our businesses an advantage in being able to swiftly respond to local market, environmental and people issues. The corporate centre aims to provide a framework in which our business leaders have the freedom and decision-making authority to pursue opportunities. The centre is small and uses short lines of communication to ensure prompt, incisive and unambiguous decision-making. It seeks to ensure that business activities are appropriately monitored and supported.

We believe we have a duty of care in the way we do business, including; how we employ people and develop careers, ethical and environmental standards in our many supply chains, health and safety, appropriate funding of pensions and to conserve, and where possible, enhance the environments in which we operate.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	August 1 2017	July 31 2018

F0.3

(F0.3) Select the currency used for all financial information disclosed throughout your response.

GBP

F0.4

(F0.4) Select the stage(s) of the value chain which best represents your organization's area of operation pertaining to forest risk commodities.

	Stage of the value chain
Timber	Manufacturing Retailing
Palm Oil	Manufacturing Retailing
Cattle Products	Retailing
Soy	Manufacturing
Other - Rubber	Not applicable
Other	Not applicable

F0.5

(F0.5) Do you produce, use, or sell materials or products that contain any of the forest risk commodities?

	Produce/use/sell	Disclosing	Explanation if produce/use/sell but not disclosing
Timber	Yes	Yes	<Not Applicable>
Palm Oil	Yes	Yes	<Not Applicable>
Cattle Products	Yes	No	Leather represents less than 1% of Primark's materials. Since joining the Leather Working Group in 2016, Primark has been working with suppliers to improve transparency and reduce the environmental impact of leather production.
Soy	Yes	Yes	<Not Applicable>
Other - Rubber	No	<Not Applicable>	<Not Applicable>
Other	No	<Not Applicable>	<Not Applicable>

F0.6

(F0.6) Are there any parts of your direct operations not included in your disclosure?

No

F0.7

(F0.7) Are there any parts of your supply chain not included in your disclosure?

Yes

F0.7a

(F0.7a) Identify the parts of your supply chain not included in your disclosure.

Exclusion	Description of exclusion	Potential for forests-related risk	Please explain
Other, please specify (Office supplies, POS, pallets, etc.)	Within our disclosure on timber, we exclude from scope small spend consumables such as head office stationery, one-off purchases such as head office furniture and some marketing point of sale material. We do not capture timber consumed with pallet use (be it virgin/white pallets or re-used pallets used in pooling arrangements with recognised third party providers). We cannot guarantee consumables such as pallet labels will be reported in their entirety though the percentage of spend relating to these items will be negligible as a percentage of total global packaging consumptions and spend. We are not yet disclosing information regarding viscose. For Primark, viscose represents less than 5% of their materials. Primark are currently researching supply chain risks related to viscose specifically, and also alternative fabrics to viscose. As a full evaluation has not been completed, we are not yet in a position to disclose any information. Leather represents less than 1% of the material in Primark products. Since joining the Leather Working Group in 2016, Primark has been working with suppliers to improve transparency and reduce the environmental impact of leather production.	Potential for forests-related risk but not evaluated	

F1. Current state

F1.1

(F1.1) How does your organization produce, use, or sell your disclosed commodity(ies)?

Forest risk commodity

Timber

Activity

Using as input into product manufacturing

Form of commodity

Paper

Primary packaging

Secondary packaging

Source

Multiple contracted producers

Contracted suppliers (manufacturers)

Country/Region of origin

Argentina

Australia

Brazil

Canada

Chile

China

Colombia

Ecuador

Finland

France

Germany

India

Ireland

Italy

Malaysia

Mexico

Netherlands

New Zealand

Peru

Poland

South Africa

Spain

Sri Lanka

Sweden

Switzerland

Thailand

Turkey

United Kingdom of Great Britain and Northern Ireland

United States of America

Viet Nam

% of procurement spend

1-5%

Comment

We believe these source locations cover the total consumption of our timber; a mixture of source origin and the markets where we purchase timber related products.

Forest risk commodity

Palm Oil

Activity

Using as input into product manufacturing

Form of commodity

Crude palm oil (CPO)

Crude palm kernel oil (CPKO)

Refined palm oil

Palm oil derivatives

Palm kernel oil derivatives

Source

Multiple contracted producers
Trader/broker/commodity market
Contracted suppliers (processors)
Contracted suppliers (manufacturers)

Country/Region of origin

Argentina
Australia
Brazil
Canada
Chile
China
Colombia
France
Germany
India
Indonesia
Ireland
Italy
Malaysia
Mexico
Netherlands
New Zealand
Papua New Guinea
Peru
Poland
South Africa
Spain
Sri Lanka
Switzerland
Thailand
Turkey
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

% of procurement spend

<1%

Comment

We believe these source locations cover the total consumption of our palm oil; a mixture of source origin and the markets where we purchase derivatives.

Forest risk commodity

Soy

Activity

Using as input into product manufacturing

Form of commodity

Whole soy beans
Soy bean oil
Soy bean meal
Soy derivatives

Source

Multiple contracted producers
Trader/broker/commodity market
Contracted suppliers (processors)
Contracted suppliers (manufacturers)

Country/Region of origin

Argentina
Australia
Bolivia (Plurinational State of)

Brazil
 Chile
 China
 France
 Germany
 India
 Italy
 Mexico
 Netherlands
 New Zealand
 Paraguay
 Poland
 Spain
 Switzerland
 Thailand
 United Kingdom of Great Britain and Northern Ireland
 United States of America

% of procurement spend

1-5%

Comment

We believe these source locations cover the total consumption of our soy; a mixture of source origin and the markets where we purchase derivatives.

F1.1a

(F1.1a) Indicate from which State/region(s) and municipality(ies) your disclosed commodity(ies) originate.

F1.2

(F1.2) Indicate the percentage of your organization’s revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.

	% of revenue dependent on commodity	Comment
Timber	21-30%	Our company's Grocery division sells different products in various presentations, but a proportion of which are fiber-based packaged products. We use timber products in our primary, secondary and distribution packaging in the form of paper and carton board. Based on associated grocery revenues it is estimated that this makes up approximately 21-30% of our total revenue. It has been difficult to determine the % revenue of our retail revenue linked to this commodity, so should be considered out of scope at this time.
Palm Oil	<1%	Our consumption of palm oil, palm kernel oil, palm related derivatives and products containing palm inputs are consumed around our five strategic business sectors. Our estimate of related revenue is <1% as we are a relative low consumer of this category versus other dedicated FMCG companies.
Cattle products	<Not Applicable>	<Not Applicable>
Soy	1-5%	Our consumption of soy beans, soy meal, soy bean oil and other soy based derivatives across our grocery, ingredients and agriculture business segments is estimated to represent 1-5% of our total group revenue.
Other - Rubber	<Not Applicable>	<Not Applicable>
Other	<Not Applicable>	<Not Applicable>

F1.3

(F1.3) Do you own or manage land used for the production of your disclosed commodity(ies)?

Forest risk commodity

Timber

Own and/or manage land?

Don't own or manage land

Type of control

<Not Applicable>

Description of type of control

<Not Applicable>

Country/Region

<Not Applicable>

Land type

<Not Applicable>

Size (Hectares)

<Not Applicable>

Do you have a system in place to monitor forests-related risks?

<Not Applicable>

Type of monitoring system

<Not Applicable>

Description of monitoring system

<Not Applicable>

Recent infraction(s)

<Not Applicable>

Explanation of infraction

<Not Applicable>

Forest risk commodity

Palm Oil

Own and/or manage land?

Don't own or manage land

Type of control

<Not Applicable>

Description of type of control

<Not Applicable>

Country/Region

<Not Applicable>

Land type

<Not Applicable>

Size (Hectares)

<Not Applicable>

Do you have a system in place to monitor forests-related risks?

<Not Applicable>

Type of monitoring system

<Not Applicable>

Description of monitoring system

<Not Applicable>

Recent infraction(s)

<Not Applicable>

Explanation of infraction

<Not Applicable>

Forest risk commodity

Please select

Own and/or manage land?

Don't own or manage land

Type of control

<Not Applicable>

Description of type of control

<Not Applicable>

Country/Region

<Not Applicable>

Land type

<Not Applicable>

Size (Hectares)

<Not Applicable>

Do you have a system in place to monitor forests-related risks?

<Not Applicable>

Type of monitoring system

<Not Applicable>

Description of monitoring system

<Not Applicable>

Recent infraction(s)

<Not Applicable>

Explanation of infraction

<Not Applicable>

Forest risk commodity

Soy

Own and/or manage land?

Don't own or manage land

Type of control

<Not Applicable>

Description of type of control

<Not Applicable>

Country/Region

<Not Applicable>

Land type

<Not Applicable>

Size (Hectares)

<Not Applicable>

Do you have a system in place to monitor forests-related risks?

<Not Applicable>

Type of monitoring system

<Not Applicable>

Description of monitoring system

<Not Applicable>

Recent infraction(s)

<Not Applicable>

Explanation of infraction

<Not Applicable>

F1.4

(F1.4) For your disclosed commodity(ies), indicate if you collect data regarding your own compliance and/or the compliance of your suppliers with the Brazilian Forest Code.

Timber

Do you collect data regarding compliance with the Brazilian Forest Code?

No, we do not collect data

Please explain

We have operations based in Brazil, but they do not necessarily source this commodity from the immediate vicinity.

Palm Oil

Do you collect data regarding compliance with the Brazilian Forest Code?

No, we do not collect data

Please explain

We have operations based in Brazil, but they do not necessarily source this commodity from the immediate vicinity.

Soy

Do you collect data regarding compliance with the Brazilian Forest Code?

No, we do not collect data

Please explain

All of our Brazilian soya meal will be compliant with the Brazilian Forest Code as stated by our suppliers.

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber	Consumption data available, disclosing
Palm Oil	Consumption data available, disclosing
Cattle products	<Not Applicable>
Soy	Data available, but not disclosing
Other - Rubber	<Not Applicable>
Other	<Not Applicable>

F1.5a

(F1.5a) Disclose your production and/or consumption data.

Forest risk commodity

Timber

Data type

Consumption data

Volume

91250

Metric

Metric tons

Data coverage

Partial commodity production/consumption

Please explain

In scope is all timber related packaging directly purchased by the various group companies to be subsequently used in our manufacturing process. Excluded from scope are small spend consumables such as head office stationery, one-off purchases such as head office furniture and some marketing point of sale material. It does not capture timber consumed with pallet use (be it virgin/white pallets or re-used pallets used in pooling arrangements with recognised third party providers). We cannot guarantee consumables such as pallet labels will be reported in their entirety though the % of spend relating to these items will be minimal / negligible as a percentage of total global packaging consumption and spend.

Forest risk commodity

Palm Oil

Data type

Consumption data

Volume

63435

Metric

Metric tons

Data coverage

Full commodity production/consumption

Please explain

Please note that the volume disclosed is that as reported in our RSPO Annual Communication of Progress (ACOP) for 2018 covering our palm related consumption for a 12 month period from 1st January 2018 to 31st December 2018.

F1.5b

(F1.5b) Why is your organization not disclosing production and/or consumption data for your disclosed commodity(ies)?

Forest risk commodity

Soy

Primary reason

Data considered confidential

Please explain

F1.6

(F1.6) Have you identified sufficient sources of sustainable materials to meet your current operational needs? If yes, what are you doing to ensure the security/continuity of this supply?

Timber

Sustainable source identified

Yes

Primary action to ensure supply

Engaging in capacity building activities in the value chain

Please explain

Addressed via contingency supply options in place, dual supply options in some cases, assessing incumbent suppliers' contingency and business continuity plans.

Palm Oil

Sustainable source identified

Yes

Primary action to ensure supply

Engaging in capacity building activities in the value chain

Please explain

Addressed via contingency supply options in place, dual supply options in some cases, assessing incumbent suppliers' contingency and business continuity plans.

Soy

Sustainable source identified

Yes

Primary action to ensure supply

Engaging in capacity building activities in the value chain

Please explain

Addressed via contingency supply options in place, dual supply options in some cases, assessing incumbent suppliers' contingency and business continuity plans. In the UK agricultural business we are working with the UK Soya Round Table to build capacity for sustainable sourcing.

F1.7

(F1.7) Has your organization experienced any detrimental forests-related impacts?

No

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

Yes, forests-related risks are assessed

F2.1a

(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.

Timber

Value chain stage

Direct operations
Supply chain

Coverage

Partial

Risk assessment procedure

Assessed as part of other company-wide risk assessment system

Frequency of assessment

Six-monthly or more frequently

How far into the future are risks considered?

> 6 years

Tools and methods used to identify and assess risks

Internal company methods
External consultants

Please explain

Our decentralised model empowers our businesses to identify and manage risks on a timely basis to ensure compliance with legislation, our business principles and group policies. The risk assessments consider materiality, risk controls and likely impact against a range of criteria such as objectives, HSE, financial performance and reputation. ABF: An aggregated summary of risks is reviewed by the Chief Risk Officer, Group Finance Director, Chief Executive and the board at least annually. Division: Each division collates risks biannually from their businesses. This is shared with the Chief Risk Officer who reviews and challenges them with the Group Finance Director and divisional CEOs. Business: Each business completes a risk assessment biannually in a format prescribed by the board. It is submitted to the divisional CEO who presents these to the group executive. Asset: Risk assessments start at the site level with consideration for immediate environmental risks. In the case of timber or paper packaging, some of our businesses have formal sourcing policies in place incorporating full chain of custody while others have as yet no formal policies in place specific to this particular commodity due to risk perception and/or assessment. In the latter however, tier one suppliers are audited and approved in line with company supplier approval guidelines including acceptance to ABF's Supplier Code of Conduct which promotes responsible stewardship for the environment.

Palm Oil

Value chain stage

Direct operations
Supply chain

Coverage

Full

Risk assessment procedure

Assessed as part of other company-wide risk assessment system

Frequency of assessment

Six-monthly or more frequently

How far into the future are risks considered?

> 6 years

Tools and methods used to identify and assess risks

Internal company methods
External consultants

Please explain

Our decentralised model empowers our businesses to identify and manage risks on a timely basis to ensure compliance with legislation, our business principles and group policies. The risk assessments consider materiality, risk controls and likely impact against a range of criteria such as objectives, HSE, financial performance and reputation. ABF: An aggregated summary of risks is reviewed by the Chief Risk Officer, Group Finance Director, Chief Executive and the board at least annually. Division: Each division collates risks biannually from their businesses. This is shared with the Chief Risk Officer who reviews and challenges them with the Group Finance Director and divisional CEOs. Business: Each business completes a risk assessment biannually in a format prescribed by the board. It is submitted to the divisional CEO who presents these to the group executive. Asset: Risk assessments start at the site level with consideration for immediate environmental risks. As it relates to palm and palm derived products, each business is aware of the reputational and operational/supply risks that exist if we are unable to continue our commitment to meet ongoing support for sustainable supply. This time-bound commitment was first achieved by ABF back in 2015.

Soy

Value chain stage

Direct operations
Supply chain

Coverage

Full

Risk assessment procedure

Assessed as part of other company-wide risk assessment system

Frequency of assessment

Six-monthly or more frequently

How far into the future are risks considered?

> 6 years

Tools and methods used to identify and assess risks

Internal company methods
External consultants

Please explain

Our decentralised model empowers our businesses to identify and manage risks on a timely basis to ensure compliance with legislation, our business principles and group policies. The risk assessments consider materiality, risk controls and likely impact against a range of criteria such as objectives, HSE, financial performance and reputation. ABF: An aggregated summary of risks including climate is reviewed by the Chief Risk Officer, Group Finance Director, Chief Executive and the board at least annually. Division: Each division collates risks biannually from their businesses. This is shared with the Chief Risk Officer who reviews and challenges them with the Group Finance Director and divisional CEOs. Business: Each business completes a risk assessment biannually in a format prescribed by the board. It is submitted to the divisional CEO who presents these to the group executive. Asset: Risk assessments start at the site level with consideration for immediate environmental risks. As it relates to soy and soy derived products, each business is aware of the reputational and operational / supply risks concerned with soy and increasing interest and awareness of deforestation agenda with this commodity.

F2.1b

(F2.1b) Which of the following issues are considered in your organization's forests-related risk assessment(s)?

Availability of forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

The availability of key agricultural raw materials and commodities in our supply chain has the potential to increase operational cost, disrupt the value chain and impact our ability to do business. How this is included in the risk management process: each business is responsible for understanding the risks pertinent to each location in which they operate. Where potential risks are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Quality of forest risk commodities

Relevance & inclusion

Relevant, sometimes included

Please explain

This risk has the potential to increase operational cost, disrupt the value chain and impact our ability to do business. How this is included in the risk management process: each business is responsible for understanding the risks pertinent to each location in which they operate. Where potential risks are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Impact of activity on the status of ecosystems and habitats

Relevance & inclusion

Relevant, sometimes included

Please explain

This risk has the potential to increase operational cost, disrupt the value chain and impact our ability to do business. How this is included in the risk management process: each business is responsible for understanding the risks pertinent to each location in which they operate. Where potential risks are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Regulation

Relevance & inclusion

Relevant, always included

Please explain

As with regulatory risk, increased legal and regulatory requirements can place additional costs on the business to ensure compliance is achieved and maintained across the impacted geographies. How this is included in the risk management process: each business is responsible for monitoring ensuring compliance with all relevant regulation and legislation in the geographies in which they operate. Where non-compliance has been identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Climate change

Relevance & inclusion

Relevant, sometimes included

Please explain

This risk has the potential to increase operational cost, disrupt the value chain and impact our ability to do business. How this is included in the risk management process: each business is responsible for understanding the risks pertinent to each location in which they operate. Where potential risks are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Impact on water security

Relevance & inclusion

Relevant, sometimes included

Please explain

This risk has the potential to increase operational cost, disrupt the value chain and impact our ability to do business. How this is included in the risk management process: each business is responsible for understanding the risks pertinent to each location in which they operate. Where potential risks are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Tariffs or price increases

Relevance & inclusion

Relevant, always included

Please explain

This risk has the potential to increase operational cost, disrupt the value chain and impact our ability to do business. How this is included in the risk management process: each business is responsible for understanding the risks pertinent to each location in which they operate. Where potential risks are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Loss of markets

Relevance & inclusion

Relevant, sometimes included

Please explain

Market risk can impact the income ABF receives for its products. The availability of raw materials, which may be impacted by weather changes, can lead to a change in price for those materials. Changes in the markets across our operations can impact either positively or negatively due to the supply/demand curve. In addition market changes can include tariffs, quotas and other levies. How this is included in the risk management process: each business is responsible for monitoring shifts in local and international markets. Where shifts in market trends are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Brand damage related to forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

With increased scrutiny of climate change and sustainability performance by consumers, customers, investors such as Legal & General Investment Management who are looking into the group's consolidated climate impact, and NGOs across the value chain we recognise that there is a risk that our performance may not be communicated effectively or valued sufficiently thereby reducing demand for our goods and services. How this is included in the risk management process: each business is responsible for engaging with stakeholders and monitoring local media for anything that may impact reputation. Where potential risks to reputation are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures.

Corruption

Relevance & inclusion

Relevant, always included

Please explain

As with regulatory risk, increased legal and regulatory requirements can place additional costs on the business to ensure compliance is achieved and maintained across the impacted geographies. How this is included in the risk management process: each business is responsible for monitoring ensuring compliance with all relevant regulation and legislation in the geographies in which they operate. Where non-compliance has been identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Social impacts

Relevance & inclusion

Relevant, sometimes included

Please explain

Failure to consider social impacts can place additional costs and reputational risks on the business, so we endeavour to minimise any negative impact and work hard to foster positive social outcomes across the impacted communities in the geographies concerned. How this is included in the risk management process: each business is responsible for understanding the risks pertinent to each location in which they operate. Where potential risks are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Other, please specify

Relevance & inclusion

Please select

Please explain

F2.1c

(F2.1c) Which of the following stakeholders are considered in your organization's forests-related risk assessments?

Customers

Relevance & inclusion

Relevant, always included

Please explain

Market pressure and other risks mentioned above impact ABF's customers as well as ABF directly. If the demand drops, then this would impact the financial stability of the business. Working in partnerships with our suppliers, industry bodies and retail customers helps us to understand and minimise the impact of these risks. How this is included in the risk management process: each business is responsible for monitoring shifts in local and international markets. Where shifts in market trends are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Employees

Relevance & inclusion

Relevant, always included

Please explain

With increased scrutiny of sustainability performance by our own employees, failure to demonstrate an awareness and proactive approach to our impact on deforestation commodities could impact staff retention and performance. How this is included in the risk management process: each business is responsible for engaging with stakeholders and monitoring local media for anything that may impact reputation. Where potential risks to reputation are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures.

Investors

Relevance & inclusion

Relevant, sometimes included

Please explain

With increased scrutiny of climate change and sustainability performance by investors such as Legal & General Investment Management who are looking into the group's consolidated climate impact, and NGOs across the value chain we recognise that there is a risk that our performance may not be communicated effectively or valued sufficiently thereby reducing demand for our goods and services. How this is included in the risk management process: each business is responsible for engaging with stakeholders and monitoring local media for anything that may impact reputation. Where potential risks to reputation are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures.

Local communities

Relevance & inclusion

Relevant, sometimes included

Please explain

How this is included in the risk management process: each business is responsible for engaging with stakeholders and monitoring local media for anything that may impact reputation. Where potential risks to reputation are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures.

NGOs

Relevance & inclusion

Relevant, sometimes included

Please explain

With increased scrutiny of climate change, social impacts and sustainability performance by NGOs across the value chain we recognise that there may be a risk that our performance is not communicated effectively or valued sufficiently thereby reducing demand for our goods and services. How this is included in the risk management process: each business is responsible for engaging with stakeholders and monitoring local media for anything that may impact reputation. Where potential risks to reputation are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures.

Other forest risk commodity users/producers at a local level

Relevance & inclusion

Relevant, sometimes included

Please explain

Some of ABF's businesses rely on other manufacturers and suppliers to be able to produce their end product. Each of these suppliers also face the risks that impact ABF directly. Working in partnerships with our suppliers and industry bodies helps us to understand and minimise the impact of these risks. How this is included in the risk management process: each business is responsible for understanding the risks pertinent to each location in which they operate. Where potential risks are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Regulators

Relevance & inclusion

Relevant, always included

Please explain

As with regulatory risk, increased legal and regulatory requirements can place additional costs on the business to ensure compliance is achieved and maintained across the impacted geographies. How this is included in the risk management process: each business is responsible for monitoring ensuring compliance with all relevant regulation and legislation in the geographies in which they operate. Where non-compliance has been identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Suppliers

Relevance & inclusion

Relevant, always included

Please explain

Some of ABF's businesses rely on other manufacturers and suppliers to be able to produce their end product. Each of these suppliers also face the risks that impact ABF directly. Working in partnerships with our suppliers and industry bodies helps us to understand and minimise the impact of these risks. How this is included in the risk management process: each business is responsible for understanding the risks pertinent to each location in which they operate. Where potential risks are identified, each business reports this up to Group level via the named senior manager or director to the business CEO and to the Group CEO via the Group's Head of Internal Audit, who is the Group's Director of Financial Control, as per the company procedures. We use our own internal prescribed risk matrix for this process.

Other stakeholders, please specify

Relevance & inclusion

Please select

Please explain

F3. Risks and opportunities

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

	Risk identified?
Timber	No
Palm Oil	No
Cattle Products	<Not Applicable>
Soy	No
Other - Rubber	<Not Applicable>
Other	<Not Applicable>

F3.1a

(F3.1a) How does your organization define substantive impact on your business?

ABF defines substantive change in our business, operations, revenue or expenditure as change which could eventually result in a financial impact on the group e.g. affecting our group's ability to generate profit or through movements in our share price. A material change could also be one that impacts our ability to continue supplying our valuable customers. An event that may receive attention from national or international media may be considered as potentially material to the group. If a change stopped ABF from being a socially useful business or conducting our activities in a socially responsible way, that would be classified as substantive change.

ABF consists of five divisions; a substantive risk to ABF as a whole is very rare because if something impacts one division, the other four will survive and it is unlikely to move the group's share price.

F3.1c

(F3.1c) Why does your organization not consider itself to be exposed to forests-related risks with the potential to have a substantive financial or strategic impact?

Forest risk commodities

Timber

Primary reason

Risks exist, but no substantive impact anticipated

Please explain

ABF's businesses are responsible for monitoring and complying with all relevant legislation. For example, the Packaging and Packaging Waste Directive and EU Timber Regulations for our businesses operating in Europe and the Australian Packaging Covenant which requires formal packaging data to be collected for all brands distributed in Australia. ABF requires all businesses to implement appropriate levels of risk management to ensure compliance with all local legislation, group policies and business principles taking into account local business needs and circumstances. The level of risk and policy to address will vary across the group depending on the exposure to and usage of these forest risk commodities. Within ABF's 2016 Corporate Responsibility Report we detailed certain forest commodities as those with "potential" to cause damage to the environment which our businesses then are required to assess in a local business context. See pages 34-35 in our ABF CR Report 2016 at https://www.abf.co.uk/documents/pdfs/ar_cr_2016/2016_corporate_responsibility_report.pdf In ABF's 2018 Corporate Responsibility Update, we noted that availability of good quality data is important and that the packaging team at ACH in America has created a more accurate way to provide data to calculate the greenhouse gas emissions from packaging, including timber.

Forest risk commodities

Palm Oil

Primary reason

Risks exist, but no substantive impact anticipated

Please explain

ABF requires all businesses to implement appropriate levels of risk management to ensure compliance with all local legislation, group policies and business principles taking into account local business needs and circumstances. The level of risk and policy to address will vary across the group depending on the exposure to and usage of these forest risk commodities. Within ABF's 2016 Corporate Responsibility Report we detailed certain forest commodities as those with "potential" to cause damage to the environment which our businesses then are required to assess in a local business context. See pages 34-35 in our ABF CR Report 2016 at https://www.abf.co.uk/documents/pdfs/ar_cr_2016/2016_corporate_responsibility_report.pdf

Forest risk commodities

Soy

Primary reason

Risks exist, but no substantive impact anticipated

Please explain

ABF requires all businesses to implement appropriate levels of risk management to ensure compliance with all local legislation, group policies and business principles taking into account local business needs and circumstances. The level of risk and policy to address will vary across the group depending on the exposure to and usage of these forest risk commodities. Within ABF's 2016 Corporate Responsibility Report we detailed certain forest commodities as those with "potential" to cause damage to the environment which our businesses then are required to assess in a local business context. See pages 34-35 in our ABF CR Report 2016 at https://www.abf.co.uk/documents/pdfs/ar_cr_2016/2016_corporate_responsibility_report.pdf

F3.2

(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?

	Have you identified opportunities?
Timber	Yes
Palm Oil	Yes
Cattle products	<Not Applicable>
Soy	Yes
Other - Rubber	<Not Applicable>
Other	<Not Applicable>

F3.2a

(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.

Forest risk commodity

Timber

Type of opportunity

Other

Where in your value chain does the opportunity occur?

Direct operation

Supply chain

Primary forests-related opportunity

Other, please specify (Packaging Optimisation)

Financial incentives

<Not Applicable>

Company-specific description & strategy to realize opportunity

More than half of ABF's consumption for what we deem to be secondary or transit packaging (corrugated containers) is recycled material. We have a commitment to use more recycled material and less overall material when designing and sourcing packaging- both of which offer, in addition to the sustainability benefit, a cost saving benefit to the organisation. Material and cost reduction targets are set each year as appropriate by individual businesses. 4 questions that typically come into play within our category and source plans for packaging are (i) how can we overall reduce the content of packaging required, (ii) can we eliminate that requirement altogether, (iii) can we look at returnable forms of packaging, (iv) can we use lower impact or recycled materials. A number of our businesses operate a full chain of custody for their packaging. For example, AB Mauri Mexico has this for corrugated packaging and our Silverspoon business in the UK has this for all flour and sugar paper bags. Logos are displayed on pack as evidence to consumers of our wider commitment to the environment. <http://www.fsc-uk.org/en-uk/about-fsc/what-is-fsc/case-studies/printers/silver-spoon-packaging> Many ABF Grocery group businesses use OPRL (On Pack Recycling Labels) which inform consumers how to dispose of packaging correctly.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Unknown

Likelihood

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Forest risk commodity

Palm Oil

Type of opportunity

Other

Where in your value chain does the opportunity occur?

Supply chain

Primary forests-related opportunity

Other, please specify (Sustainable Sources)

Financial incentives

<Not Applicable>

Company-specific description & strategy to realize opportunity

ABF has been a member of the Roundtable for Sustainable Palm Oil (RSPO) since 2010, with some subsidiary companies holding membership from 2006. We have numerous businesses who have secured RSPO Supply Chain Certification for their facilities and are therefore using sustainably certified input materials. ABF now has over 30 individual sites formally RSPO Supply Chain certified across the globe. The majority of palm related consumption within ABF comes through palm derivatives or products containing palm related products. Where the consumption of these palm derivatives cannot be supplied with physically certified material, due to the complexity of the supply chains involved, ABF committed to cover such consumption by Book & Claim to support the production of sustainable palm oil. In 2015, ABF first covered 100% of non-physically certified material via the Book & Claim supply chain option. This has been repeated year on year for all palm related consumption since 2015. In addition, ABF now has in excess of 30 individual facilities that has achieved RSPO Supply Chain Certification for the supply of physical certified sustainable palm products across numerous geographies from UK, Europe, Australia and USA. The Jordans Dorset & Ryvita Company, which sources certified sustainable palm oil in the manufacture of cereal products, carries the RSPO trademark on selected packs and is one example of our businesses which sources 100% physically certified palm inputs.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential impact

Unknown

Likelihood

Virtually certain

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Forest risk commodity

Soy

Type of opportunity

Other

Where in your value chain does the opportunity occur?

Supply chain

Primary forests-related opportunity

Other, please specify (Sustainable Sources)

Financial incentives

<Not Applicable>

Company-specific description & strategy to realize opportunity

AB Agri supports sustainable production of soya for use in animal feeding stuffs. AB Agri currently procures a significant volume of responsibly sourced soya meal and will endeavour to increase this volume whilst working with our suppliers and customers to ensure that the supply chain is viable. Of the soya meal consumed in the ABN feed mills (the largest share of AB Agri's usage) 68% is now responsibly sourced. As a globally traded commodity the increased demand for soy has impacted both the environment and the communities in which the crop is grown. One of the first multi-stakeholder groups committed to increasing the availability of responsibly produced soy was the Round Table on Responsible Soy. AB Agri had been an active member of the RTRS since 2010, although more recently stepped away to acknowledge that there are a number of well-run schemes available. As a key member of both the Agricultural Industries Confederation (AIC) and the European Feed Compounders Association (FEFAC) we are directly involved in designing mass market solutions for sourcing responsible soy with the introduction of the FEFAC Soy Sourcing Guidelines. Launched in Brussels on March 25th 2015 by Angela Booth of AB Agri, Chair of the FEFAC Sustainability Committee, the aim of these guidelines is to simplify procurement of sustainable soy. The FEFAC Guidelines offer an achievable model that encourages producers to continually improve and validate their sustainability credentials, thereby improving the understanding of sustainable soy imported into Europe. As more responsible soy is covered by the Guidelines, FEFAC intends to improve the criteria and raise the base level. AB Agri is also a member of the government backed multi-stakeholder UK Soya Round Table and its Steering Group. The work of this group has contributed to a significant increase in the requirement for responsibly sourced soya in the UK market which is still growing. AB Mauri UK has maintained its 'BM Trada Responsibly Sourced' accreditation to qualify this method of sourcing creating a direct link between the soy or soy cognate and place of origin, which should be an internationally certified farm dedicated to soy production.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential impact

Unknown

Likelihood

Please select

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

F4. Governance

F4.1

(F4.1) Does your organization have a policy that includes forests-related issues?

No

F4.2

(F4.2) Is there board-level oversight of forests-related issues within your organization?

Yes

F4.2a

(F4.2a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.

Position of individual	Please explain
Please select	The Company Secretary, who is accountable at board level for matters relating to corporate responsibility, is a member of the Executive Board. Responsibility for forests-related issues lies with the Company Secretary, reporting into the CEO. The Company Secretary position is a board member and therefore has the ability to review, influence and monitor changes at a group level.
Chief Risk Officer (CRO)	The Chief Risk Officer, who is accountable at board level for matters relating to risk and opportunity management, of which forests-related issues are included, is a member of the Executive Board. Responsibility for all risk management lies with the CRO, who reports into the Audit Committee, and therefore has the ability to review, influence and monitor changes at a group level. The board as a whole is responsible for overall risk management. As forests-related issues are integrated into groupwide risk assessment, the board has ultimate responsibility for all risk.

F4.2b

(F4.2b) Provide further details on the board's oversight of forests-related issues.

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Reviewing and guiding business plans Reviewing and guiding risk management policies	The diversified nature of our operations, geographical reach, assets and currencies are important factors in mitigating the risk of a material threat to the group's balance sheet and results. Effective risk management is still central to the board's role in providing strategic oversight and stewardship of the group. The board is accountable for ensuring that risk is successfully managed and undertakes a robust annual assessment of the principal risks, including those that would threaten the business model and future performance, together with the internal controls devoted to them. The board also monitors the group's exposure to risks as part of the performance reviews conducted at each board meeting. Risks are specifically reviewed by the Audit Committee which also reviews the effectiveness of the group's risk mitigation processes. Our decentralised business model empowers the management of our businesses to identify, evaluate and manage the risks they face, on a timely basis, to ensure compliance with relevant legislation, our business principles and group policies. The risk assessments consider materiality, risk controls and the likely impact against a range of criteria such as business objectives, health and safety, financial performance, reputation, community and the environment, including forests-related issues. The collated risks from each business are shared with the respective divisional chief executives who present their risks to the group executive.

F4.3

(F4.3) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on forests-related issues	Please explain
Chief Sustainability Officer (CSO)	Both assessing and managing forests-related risks and opportunities	Half-yearly	The Chief Sustainability Officer role, performed by the Director of Company Secretariat at ABF, is responsible for the long-term aims and day to day management of corporate responsibility across the group. Supported by the group's Environmental, Health and Safety Manager and CR Leaders within each business, the CSO is a focal point for the range of CR issues being addressed by ABF. The CSO and HSE roles convene the CR and HSE Leaders from the businesses to meet throughout the year to identify and discuss groupwide issues including forests-related issues, climate change and water stewardship. CR and HSE Managers from each of the five divisions are members of the groups as well as representatives from functions such as Procurement, Risk Management and Communications. For further detail and a graphic to show this, see Our CR Reporting Guidance 2018 at https://www.abf.co.uk/cr2018/cr2018/dist/documents/ABF_CR18_Guidance_Doc_2018.pdf

F4.4

(F4.4) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?

No, and we do not plan to introduce them in the next two years

F4.5

(F4.5) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?

Yes (you may attach the report – this is optional)

See p52 of ABF 2018 Annual Report https://www.abf.co.uk/ar2018/ar2018/dist/documents/ABF_AR18.pdf

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	No, forests-related related issues were reviewed but not considered as strategically relevant/significant	Please select	Integrated into ABF's long-term business objectives is to remain a socially useful company where we remain vigilant of, and consider, the needs of others around us. Therefore, when we review our holistic business strategy, we consider the environmental impacts of our plans. When our businesses are considering their growth or divestment plans, they conduct risk assessments which incorporate environmental risks including forest-related issues and the requirements of others around our operations.
Strategy for long-term objectives	No, forests-related related issues were reviewed but not considered as strategically relevant/significant	Please select	Integrated into ABF's long-term business objectives is to remain a socially useful company where we remain vigilant of, and consider, the needs of others around us. Therefore, when we review our holistic business strategy, we consider the environmental impacts of our plans. When our businesses are considering their growth or divestment plans, they conduct risk assessments which incorporate environmental risks including forest-related issues and the requirements of others around our operations.
Financial planning	No, forests-related related issues were reviewed but not considered as strategically relevant/significant	Please select	ABF requires all businesses to implement appropriate levels of risk management to ensure compliance with all local legislation, group policies and business principles taking into account local business needs and circumstances. The level of risk and policy to address will vary across the group depending on the exposure to and usage of these forest risk commodities.

F6. Implementation

F6.1

(F6.1) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

No

F6.2

(F6.2) Did you have any quantified targets for increasing sustainable production and/or consumption of your disclosed commodity(ies) that were active during the reporting year?

Yes

F6.2a

(F6.2a) Provide details of your target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.

Target reference number

Target 1

Forest risk commodity

Palm Oil

Form of commodity covered

All forms of palm oil

Type of target

Third-party certification scheme

Coverage

Direct operations and supply chain

Traceability point

<Not Applicable>

Third-party certification scheme

RSPO Segregated
RSPO Mass Balance
RSPO Book and Claim

Start year

2006

Start figure

1-10%

Target year

2015

Target

100%

% achieved

100%

Please explain

Since 2015, ABF moved to sourcing all palm related inputs via RSPO approved supply chains, thus supporting the production of certified sustainable palm oil. This has been maintained through to the end of 2018 – and the number of RSPO Supply Chain Certified facilities across ABF group companies is now over 30 locations in many different geographies across Europe, Asia and North America. ABF were scored a maximum of 9 out of 9 points in the 2016 WWF Palm Oil buyers scorecard – highlighted as an organisation “leading the way” on its approach to sustainable palm.

F6.3

(F6.3) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?
Timber	Yes
Palm Oil	Yes
Cattle products	<Not Applicable>
Soy	Yes
Other - Rubber	<Not Applicable>
Other	<Not Applicable>

F6.3a

(F6.3a) Provide details on the level of traceability your organization has for your disclosed commodity(ies).

Timber

% of total production/consumption volume traceable

Don't know

Point to which commodity is traceable

Country

Description of traceability system

This information can be accessed from suppliers though is not necessarily embedded into a formally stipulated procedure. In many cases, details such as material country of origin are known due to the detail available from product specifications and vendor audit checks. In the case of paper, businesses may stipulate the brand they require as part of their buying specification in which case the Tier 2 supply chain is known. In some circumstances, we have visibility to mill and forest level information but this is not available across all sources.

Exclusions

Not applicable

Description of exclusion

Palm Oil

% of total production/consumption volume traceable

Don't know

Point to which commodity is traceable

Country

Description of traceability system

This information can be accessed from suppliers though is not necessarily embedded into a formally stipulated procedure. In many cases, details such as material country of origin are known due to the detail available from product specifications and vendor audit checks.

Exclusions

Not applicable

Description of exclusion

Soy

% of total production/consumption volume traceable

Don't know

Point to which commodity is traceable

Country

Description of traceability system

This information can be accessed from suppliers though is not necessarily embedded into a formally stipulated procedure. In many cases, details such as material country of origin are known due to the detail available from product specifications and vendor audit checks. In some circumstances, we have visibility to farm level information but this is not available across all sources.

Exclusions

Not applicable

Description of exclusion

F6.4

(F6.4) Do you specify any third-party certification schemes for your disclosed commodity(ies)? Indicate the volume and percentage of your production and/or consumption covered.

Forest risk commodity

Timber

Do you specify any certification scheme?

Yes

Certification coverage

Please select

Third-party certification scheme

FSC Chain of Custody

% of total production/consumption volume certified

Form of commodity

Paper

Primary packaging

Secondary packaging

Volume of production/ consumption certified

Metric

Please select

Please explain

A number of our businesses buy FSC certified packaging. No specific engagement activity beyond this. An example, is Silverspoon which is the subject of a case study on the UK FSC website: <http://www.fsc-uk.org/en-uk/about-fsc/what-is-fsc/case-studies/printers/silver-spoon-packaging>

Forest risk commodity

Palm Oil

Do you specify any certification scheme?

Yes

Certification coverage

Consumption volume

Third-party certification scheme

RSPO Segregated

RSPO Mass Balance

RSPO Book and Claim

% of total production/consumption volume certified

100

Form of commodity

Crude palm oil (CPO)

Crude palm kernel oil (CPKO)

Refined palm oil

Palm oil derivatives

Palm kernel oil derivatives

Volume of production/ consumption certified

63435

Metric

Metric tons

Please explain

Since 2015, ABF moved to sourcing all palm related inputs via RSPO approved supply chains, thus supporting the production of certified sustainable palm oil. This has been maintained through to end 2018 – and the number of RSPO Supply Chain Certified facilities across ABF group companies is now over 30 locations in many different geographies across Europe, Asia and North America. ABF were scored a maximum of 9 out of 9 points in the 2016 WWF Palm Oil buyers scorecard – highlighted as an organisation “leading the way” on its approach to sustainable palm.

Forest risk commodity

Soy

Do you specify any certification scheme?

Yes

Certification coverage

Please select

Third-party certification scheme

Other, please specify (FEFAC Soy Sourcing Guidelines)

% of total production/consumption volume certified

Form of commodity

Soy bean meal

Volume of production/ consumption certified

Metric

Please select

Please explain

AB Agri has been assessed as "starting the journey" in the 2016 WWF Soy Scorecard. The business was recognised for actively sourcing responsible soy and their commitment to source sustainable soy by 2024 as part of their Formula 24 programme. A key member of both the Agricultural Industries Confederation (AIC) and the European Feed Compounders Association (FEFAC) we are directly involved in designing mass market solutions for sourcing responsible soy with the introduction of the FEFAC Soy Sourcing Guidelines. Launched in Brussels on March 25th 2015 by Angela Booth of AB Agri, Chair of the FEFAC Sustainability Committee at the time, the aim of these guidelines is to simplify procurement of sustainable soy. AB Agri is a member of the UK Soya Round Table and its Steering Group. This government backed multi-stakeholder group facilitated by EFECAs has made significant progress in increasing demand for responsibly sourced soya with particular focus on removing deforestation from the supply chain since its inception in March 2018.

F6.5

(F6.5) Do you specify any sustainable production/procurement standards for your disclosed commodity(ies), other than third-party certification? Indicate the percentage of production/consumption covered and if you monitor supplier compliance with these standards.

Forest risk commodity

Timber

Do you specify any sustainability standards?

Yes

Type of standard

Procurement

Description of standard

ABF has a publicly available Supplier Code of Conduct which applies to all suppliers and others in the value chain. The Code covers social and environmental standards expected from all with whom we work. A full copy of ABF's Supplier Code of Conduct can be accessed at <http://www.abf.co.uk/documents/pdfs/policies/supplier-code-of-conduct.pdf>.

% of total commodity volume covered by standard

Please select

Do you have a system in place to monitor compliance with this standard?

Please select

Type(s) of monitoring system

<Not Applicable>

% of suppliers in compliance with standards

<Not Applicable>

Please explain

Forest risk commodity

Palm Oil

Do you specify any sustainability standards?

Yes

Type of standard

Procurement

Description of standard

ABF has a publicly available Supplier Code of Conduct which applies to all suppliers and others in the value chain. The Code covers social and environmental standards expected from all with whom we work. A full copy of ABF's Supplier Code of Conduct can be accessed at <http://www.abf.co.uk/documents/pdfs/policies/supplier-code-of-conduct.pdf>.

% of total commodity volume covered by standard

Please select

Do you have a system in place to monitor compliance with this standard?

Please select

Type(s) of monitoring system

<Not Applicable>

% of suppliers in compliance with standards

<Not Applicable>

Please explain

Forest risk commodity

Soy

Do you specify any sustainability standards?

Yes

Type of standard

Procurement

Description of standard

ABF has a publicly available Supplier Code of Conduct which applies to all suppliers and others in the value chain. The Code covers social and environmental standards expected from all with whom we work. A full copy of ABF's Supplier Code of Conduct can be accessed at <http://www.abf.co.uk/documents/pdfs/policies/supplier-code-of-conduct.pdf>. Within AB Agri an increasing proportion of soya meal is procured to responsible sourcing scheme which meets the FEFAC benchmark guidelines.

% of total commodity volume covered by standard

Please select

Do you have a system in place to monitor compliance with this standard?

Please select

Type(s) of monitoring system

<Not Applicable>

% of suppliers in compliance with standards

<Not Applicable>

Please explain

F6.7

(F6.7) Are you working with your direct suppliers to support and improve their capacity to supply sustainable raw materials?

	Are you working with direct suppliers?	Supplier engagement approach	Please explain
Timber	No, not working with direct suppliers	<Not Applicable>	
Palm Oil	Yes, working with direct suppliers	Encouraging certification	As a member of the RSPO, we have engaged at Roundtable and General Assembly meetings and ensured we have contributed to the direction of that multi-stakeholder community. This has manifested itself internally with training and education to allow our buyers to go into the external marketplace to support our sustainable palm goals.
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	Yes, working with direct suppliers	Encouraging certification	Following a close working partnership with BM Trada, AB Mauri UK & Ireland is able to offer 'BM Trada Responsibly Sourced'. AB Mauri has now acquired the 'BM Trada Responsibly Sourced' accreditation to quantify this method of sourcing creating a direct link between the soy or soy cognate and place of origin, which should be an internationally certified farm dedicated to soy production. AB Agri has been instrumental in the publication of the Soy Sourcing Guidelines by FEFAC as an important first step in encouraging the use of responsibly produced soy in mainstream European supply chains. The next milestone will be for our current responsible soya supply chains to be tested against the FEFAC criteria. We are also a member of the FEFAC Task force on Sustainability and Responsible Soya, the AIC Sustainability Committee and the AIC Responsible Raw Material Sub Group and the UK Soya Round Table and its Steering Group.
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.8

(F6.8) Are you working beyond your first-tier supplier(s) to manage and mitigate forests-related risks?

	Are you working beyond first tier?	Please explain
Timber	Yes, working beyond first tier	In some businesses, ABF maintains direct commercial relationships with paper mills which offers us ongoing security of supply and insight into our supply chain. Some mills manage their own forests and re-use 100% of their waste products.
Palm Oil	No, not working beyond the first tier	
Cattle products	<Not Applicable>	<Not Applicable>
Soy	No, not working beyond the first tier	
Other - Rubber	<Not Applicable>	<Not Applicable>
Other	<Not Applicable>	<Not Applicable>

F6.9

(F6.9) Do you participate in external initiatives or activities to further the implementation of your policies concerning the sustainability of your disclosed commodity(ies)?

Forest risk commodity

Palm Oil

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Initiatives

Roundtable on Sustainable Palm Oil (RSPO)

Please explain

As a member of the RSPO, we have participated in Roundtable and General Assembly meetings and ensured we have contributed to the direction of that multi-stakeholder community. This has manifested itself internally with training and education to allow our buyers to go into the external marketplace to support our original 2015 palm goals and to maintain our 100% sourcing of sustainable palm oil. We have used the RSPO trademark on relevant lines of cereals within The Jordans Dorset Ryvita Company

Forest risk commodity

Soy

Do you participate in activities/initiatives?

Yes

Activities

Involved in industry platforms

Initiatives

<Not Applicable>

Please explain

AB Agri has been instrumental in the recent publication of the Soy Sourcing Guidelines by FEFAC as an important first step in encouraging the use of responsibly produced soy in mainstream European supply chains. The next milestone will be for our current responsible soya supply chains to be tested against the FEFAC criteria. We are also a member of the FEFAC Task force on Sustainability and Responsible Soya, the AIC Sustainability Committee and the AIC Responsible Raw Material Sub Group and the UK Soya Round Table and its Steering Group. AB Agri has been assessed as "starting the journey" in the 2016 WWF Soy Scorecard. Recognised for actively sourcing responsible soy and their commitment to source sustainable soy by 2024 as part of their Formula 24 programme. AB Agri personnel have been members of the following groups in previous years: - RTRS Chain of Custody Working Group - RTRS Communications and Outreach Working Group - International Technical Verification Group - Non-GM Working Group

F7. Linkages and trade-offs

F7.1

(F7.1) Has your organization identified any linkages or trade-offs between forests and other environmental issues in its direct operations and/or other parts of its value chain?

No

F7.1b

(F7.1b) Why has your organization not identified any linkages or trade-offs between forests and other environmental issues?

	Primary reason	Comment
Row 1	Important, but not an immediate business priority	

F8. Verification

F8.1

(F8.1) Do you verify any forests information reported in your CDP disclosure?

No, we do not verify any forests-related information reported in our CDP disclosure, and there are no plans to do so

F9. Barriers and challenges

F9.1

(F9.1) Describe the key barriers or challenges to avoiding forests-related risks in your direct operations or in other parts of your value chain.

Forest risk commodity

Palm Oil

Coverage

Supply chain

Primary barrier/challenge type

Limited public awareness and/or market demand

Comment

A key challenge is driving awareness of these issues in particular geographies, such as India and China, where consumption of such commodities is significant. In addition, whilst end-consumers may be aware of the issues, their buying behaviours at the point of purchase do not necessarily reflect their stated beliefs when engaged on sustainability themes away from the grocery shelf. Away from the business-to-consumer world, we face challenges within the business-to-business environment where we spend time supporting and educating our customers on these issues. In the commodity world, and with the majority of our consumption of derivatives, segregated supply chains are physically challenging and even if they do exist, then become commercially challenging when the next supply chain player has low awareness of the issues in play.

Forest risk commodity

Timber

Coverage

Supply chain

Primary barrier/challenge type

Limited public awareness and/or market demand

Comment

Forest risk commodity

Soy

Coverage

Supply chain

Primary barrier/challenge type

Limited public awareness and/or market demand

Comment

F9.2

(F9.2) Describe the main measures that would improve your organization’s ability to manage forests-related risks.

Forest risk commodity

Palm Oil

Coverage

Other parts of the value chain

Main measure

Greater customer awareness

Comment

The further support of multi-stakeholder groups and NGO communities to maintain the education and raising of awareness of the issues relating to these key commodities would help support ABF's related activities.

Forest risk commodity

Timber

Coverage

Other parts of the value chain

Main measure

Greater customer awareness

Comment

The further support of multi-stakeholder groups and NGO communities to maintain the education and raising of awareness of the issues relating to these key commodities would help support ABF's related activities.

Forest risk commodity

Soy

Coverage

Other parts of the value chain

Main measure

Greater customer awareness

Comment

The further support of multi-stakeholder groups and NGO communities to maintain the education and raising of awareness of the issues relating to these key commodities would help support ABF's related activities.

F18. Signoff

F-FI

(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

F18.1

(F18.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	Director of Company Secretariat	Chief Sustainability Officer (CSO)

SF. Supply chain module

SF0.1

(SF0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	15574000000

SF0.2

(SF0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

Yes

SF0.2a

(SF0.2a) Please share your ISIN in the table below.

	ISIN country code	ISIN numeric identifier (including single check digit)
Row 1	GB	0006731235

SF1.1

(SF1.1) On F6.4 you were asked "Do you specify any third-party certification schemes for your disclosed commodity(ies)? Indicate the volume and percentage of your production and/or consumption covered". Can you also indicate, for each of your disclosed commodity(ies), the percentage of certified volume sold to each requesting CDP supply chain member?

Don't know

SF1.1b

(SF1.1b) Why can you not indicate the percentage of certified volume sold to each of your requesting CDP supply chain members? Describe any future plans for adopting and communicating levels of certification to requesting members.

Requesting member

Arcos Dorados

Forest risk commodity

Palm Oil

Primary reason

Insufficient data on what is sold to requesting member

Please explain

Local business representatives would hold this data.

SF2.1

(SF2.1) Please propose any mutually beneficial forests-related projects you could collaborate on with specific CDP supply chain members.

SF2.2

(SF2.2) Have requests or initiatives by CDP supply chain members prompted your organization to take organizational-level action to reduce or remove deforestation/forest degradation from your operations or your supply chain?

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms